

BINDURA UNIVERSITY OF SCIENCE EDUCATION
FACULTY OF COMMERCE
DEPARTMENT OF MARKETING

STRATEGIC MARKETING MANAGEMENT

MMKT501

PROGRAMME: MARKETING

TIME: 3 HOURS 15 MINS

NOV 2024

INSTRUCTIONS TO CANDIDATES

1. Answer Question 1 from Section A and any three questions from Section B.
 2. Credit will be given for use of appropriate examples.
 3. Start each question on a fresh page.
 4. No cell phones are allowed in the Examination room.
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SECTION A (Compulsory)

Online shopping Case

Online shopping is the easy solution for busy life in today's world especially during the COVID-19. Also, it is important to know about the convenience in online shopping. The author (Ahmad, 2002) studied about the convenience in online shopping. Online shopping indicates electronic shopping to buy products or services directly from the seller through the Internet. Now people have multiple options to choose their products and services while they are shopping through an online platform (Rahman *et al.* 2018). Electronic shopping has become a large and important segment in the new digital economy over the last 10 years (Hostler *et al.* 2012). The vast increase in e-shopping, together with the development of information technology, has had a profound impact on the world economy. E-shopping enables regional traders to be less local and more global and also reduces trade barriers (Sung, 2006).

The Internet has become one of the most popular shopping channels and has changed customers' shopping habits, largely through rapid technological development. Online shopping is considered as the most convenient and easiest mode of shopping. The authors (Berry *et al.* 2002) defined online shopping as "a reduction of the opportunity costs of effort and time involved in shopping activities". So, online shopping indicates electronic shopping to buy

products or services directly from the seller through the Internet. The literature shows that behavior of the online consumers is affected by different factors such as website design.

Website design

Customers can be influenced by the image of the web site when they decide what website or buyer they should buy from (Lim & Dubinsky 2004). Not only should companies create their secured website, but also should create it to be more attractive and more useful. Online stores can change a shopper into a buyer if the stores provide variety and useful information of product, good customer service, and easy-to-access website (Laudon & Traver, 2009). Their websites should have enough information but should not be too overwhelming. Putting unstructured or useless information in the website can reduce internet usefulness and ease of use (Bigné-Alcañiz *et al.* 2008). Also, companies and sellers should double-check any single words in their website to reduce mistakes and customers' misunderstanding. Information quality and visual design is important effect on repurchasing (Koo *et al.* 2008). The willingness to purchase online will be low if the online store lacks of ease in searching and comparing shopping, and product updates.

Online store should make their website to be easy for consumers to search product and service. Making web designs and portals novel and sophisticated and web atmospherics friendly is a key to attract visitors. Moreover, if online stores want to convert visitor into buyer, they should improve their website by offering customer a comfortable, logical, interesting and hassle-free process and easy language by creating fast website with functional design as smooth as possible (Broekhuizen & Huizingh, 2009). Online payment process is another issue that should be taken care of because it affects the willingness to pay (Wang *et al.* 2005). Online stores should make their payment process to be as easy and secure as possible. To sum, if online stores want to increase the customer, they should take care of their website design to be more user-friendly (Bigné-Alcañiz *et al.* 2008) [35].

Source: Prebreza, A & Shala, B. 2021. The trust in online shopping during covid-19: Case study from Kosovo. Open Access Library Journal, 8: 1-15.

Questions

- a. Describe electronic shopping. (2)
- b. From the case, highlight opportunities and threats for a business brought by covid-19 situation. (8)

- c. Despite the covid-19 experiences, suggest reasons and solutions for the low adoption of electronic shopping by Zimbabwean retailers. (10)
 - d. Show how electronic shopping has impacted on the world economy. (10)
 - e. As a strategic marketer comment on the features of a good website in the case. (10)
- [40 marks]**

SECTION B (CHOOSE THREE)

QUESTION TWO

Penrose (1959: 24) argues that "it is never resources themselves that are inputs to production but only the services they can render". In light of the Resources Based View, discuss this assertion. **[20 marks]**

QUESTION THREE

A small business owner has heard that business can do better if it has a strong positioning strategy. Advise the business owner on the steps of developing a strong positioning strategy. **[20 marks]**

QUESTION FOUR

Using practical examples compare and contrast the Blue Ocean Strategy vs Red Ocean Strategy, highlighting the strengths in each. **[20 marks]**

QUESTION FIVE

OK supermarkets wants to open a new outlet in your suburb. They have engaged you as a consultant to carry out an industry analysis for them. Specifically they have asked you prepare a report that highlight the growing power of substitutes in the Zimbabwean supermarket industry. **[20 marks]**

QUESTION SIX

In the face of cut-throat competition, successful companies focus on customers within their own capacity in order to create customer intimacy. Evaluate this statement in light of Segmentation, Targeting and Positioning (STP). **[20 marks]**